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BEFORE THE ARIZONA CORPORATION COMMISSION

DOCKETED

JUN 30 1998

DOCKETED BY

[Signature]

JIM IRVIN
Commissioner - Chairman
RENZ D. JENNINGS
Commissioner
CARL J. KUNASEK
Commissioner

IN THE MATTER OF U S WEST
COMMUNICATIONS, INC. - TARIFF
FILING TO ADJUST THE RATE FOR
DIRECT INWARD DIAL NUMBERS

DOCKET NO. T-01051B-98-0306

DECISION NO. 60978

ORDER

Open Meeting
June 30, 1998
Phoenix, Arizona

BY THE COMMISSION:

FINDINGS OF FACT

1. U S WEST Communications, Inc. (U S WEST) is certified to provide telephone service as a public service corporation in the State of Arizona.

2. On June 12, 1998, U S WEST filed tariff revisions to adjust the rate Commercial Mobile Radio Service (CMRS) providers pay for their Direct Inward Dial (DID) telephone numbers:

Exchange and Network Services Tariff

Section 20, Page 18, Release 3

3. DID is a service that provides for the direct completion of incoming calls to end users served by the CMRS provider's equipment. Each end user is assigned an individual telephone number. CMRS includes cellular and paging services.

4. DID telephone numbers are currently available to CMRS providers in blocks of 20 sequential numbers or 100 sequential numbers. Both monthly and non-recurring installation charges are currently assessed to the CMRS provider for each DID number block option subscribed to. U S WEST's proposal eliminates the existing monthly charge for each number block option and adjusts the non-recurring installation charge to reflect the actual cost of providing the service. According to U S WEST, the Federal Communication Commission (FCC)

1 in order 96-333 directed it to make the proposed adjustments to its intrastate rates. The proposed
2 rate adjustments would be retroactive back to October 7, 1996, the effective date of the FCC's
3 order. U S WEST has estimated the proposed rate adjustments will reduce intrastate revenues by
4 \$1.2 million a year.

5 5. U S WEST's proposal increases the charge for a 20 number block from \$20.00 to
6 \$30.84 and reduces the charge for a 100 number block from \$100.00 to \$19.44. As a result,
7 CMRS providers could purchase 100 telephone numbers at a significantly lower charge than
8 what they would pay for only 20 numbers. Staff is concerned about the negative impact U S
9 WEST's proposed rate structure could have on telephone number conservation.

10 6. Due to the change in the open meeting schedule, Staff has not had time to complete
11 a thorough review of U S WEST's proposal.

12 7. Staff has recommended that the filing be suspended for a period of 60 days.

13 CONCLUSIONS OF LAW

14 1. U S WEST is an Arizona public service corporation within the meaning of Article
15 XV, Section 2, of the Arizona Constitution.

16 2. The Commission has jurisdiction over U S WEST and over the subject matter of
17 the application.

18 3. The Commission, having reviewed the tariff pages (copies of which are contained
19 in the Commission tariff files) and Staff's Memorandum dated June 24, 1998, concludes that it is
20 in the public interest to suspend the tariff filing for a period of sixty (60) days.

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ORDER

THEREFORE, IT IS ORDERED that the tariff filing be and hereby is suspended until and including September 9, 1998.

IT IS FURTHER ORDERED that this Order shall become effective immediately.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION

COMMISSIONER - CHAIRMAN

COMMISSIONER

COMMISSIONER

IN WITNESS WHEREOF, I, JACK ROSE, Executive Secretary of the Arizona Corporation Commission, have hereunto, set my hand and caused the official seal of this Commission to be affixed at the Capitol, in the City of Phoenix, this 30th day of June 1998.

JACK ROSE
Executive Secretary

DISSENT _____

RTW:DS:djg

Decision No. 160978

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AZ COMM. COMMISSION

JUN 25 11 23 AM '98

DISSENT OPINION

COMPANY: In The Matter Of The Application Of US West
Communications, Inc. For Changes In Its Depreciation Rates

DOCKET NO. T-01051B-97-0689 OPEN MEETING DATE: 5-19-98

PREPARED BY: Commissioner-Chairman Jim Irvin *Jir*

I must respectfully dissent in the Commission's decision to require US West to make an application for a rate case sometime within the next two months. While the granting of a waiver to change the company's depreciation rates is warranted, the lack of evidence that US West has been over-earning in its Arizona operations could prove costly to Arizona consumers. History has shown that with each major rate case, US West has requested -- and more importantly, received -- a rate increase. In fact, direct testimony during this hearing, as well as information contained in the prior cost docket and other filings, indicates that the company will seek a considerable increase if required to submit such a filing. The decision we come to today does not serve the interests of residential and business telecommunications consumers, and it is on their behalf that I cannot fully support this order as adopted.

*Original
attached to
Dec # 60928*